

*Subject cc Ops  
Master*

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. *T6A/86*

Reply From Prime Minister Yasuhiro Nakasone  
to The Right Honourable Margaret Thatcher,  
Prime Minister of the United Kingdom

10 January 1986

I read your message of 5 January fully appreciating the great concern you felt about the International Tin Council's financial obligations. I consider your Government's efforts to resolve this crisis extremely valuable.

Sharing your grave concern, I have instructed the Ministries concerned to work energetically for a settlement of this issue, in keeping with Japan's position as a major consumer member country.

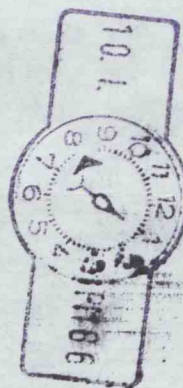
The Government of Japan has been studying all the aspects of this issue, taking fully into account your Government's proposal announced in November by the Secretary of State for Trade and Industry, Mr. Brittan, and the successive proposals made by banks and brokers. We have also participated actively in the Council's discussions.

As regards the legal obligations of the member countries, my Government continues to be of the view that in principle a member country's liability shall be limited to the amount of its contribution. My understanding is that this is also the position of many other members. Whatever may be the legal position, we consider it beneficial to the international community to seek practical 'soft landing' measures so that when tin trading is resumed order may be restored to the market and that the ITC's debt may be reduced.

/To that end,

To that end, it is important to reach without delay a consensus embracing both producer and consumer member countries. We hope that, on the basis of further cooperation by all the parties concerned, a solution acceptable to all member countries may be found by such consensus.

The problem continues to be very difficult to solve, given the probable vast amount of the final total debt. I earnestly hope that your Government will continue to play a positive role. We will continue our pursuit of an early solution, consulting with good will and very closely with your Government and other member countries.





10 DOWNING STREET

PRIME MINISTER

There is a message in one of your boxes from Mr. Nakasone about tin. The Foreign Office are proposing to send instructions to Tokyo to follow up the message through our Ambassador. Can we please proceed on these lines?

C.D. Powell

11.1.86



RESTRICTED

TIN

CC BG  
PL

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PS/ Secretary of State for Trade and Industry

RESTRICTED

10 January 1986

David Norgrove Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

*Prime Minister*

*An unhelpful reply.*

*I shall take advice on Monday.*

*But a further message from you  
would probably have no greater  
effect. The ITC in any case meets  
on*

*Dear David,*

TIN

.. I enclose a copy of the message delivered to Mr Mountfield by the Commercial Minister of the Japan Embassy. As Mr Mountfield will have already told you he responded forcefully to the contents of the message.

2 I have copied this letter and its enclosures to Len Appleyard (FCO), Rachel Lomax (Treasury), Richard Mottram (Chief Secretary) and Michael Saunders (Solicitor General).

*Yours sincerely*

*John Mogg*

J F MOGG  
Private Secretary

Encls

JF4ATH

01-493 6030.

EMBASSY OF JAPAN,  
46, GROSVENOR ST.,  
LONDON,  
W1X 0BA

Prime Minister ✓

Mr Mountfield responded forcefully to  
this when he was given it.

FCO are advising tomorrow 10 January 1986  
(Saturday) whether it would be worthwhile for you  
to send a further message this weekend.

First thoughts are against: Nakasone will be hard to shift;  
Dear Mr. Mountfield, the Europeans are the key; and the next ITC  
meeting is on Tuesday. *DRS 10/1*

I am instructed by my Government,  
to transmit to The Right Honourable Mrs. Margaret Thatcher,  
Prime Minister of the United Kingdom, the message of  
Mr. Yasuhiro Nakasone, Prime Minister of Japan in  
response to Mrs. Thatcher's message concerning the  
International Tin Council dated 5 January 1986.

I have pleasure in enclosing this  
message herewith.

Yours sincerely,

*S. Uchimura*  
Shunichi Uchimura  
Commercial Minister

Mr. R. Mountfield,  
Deputy Secretary,  
Department of Trade and Industry,  
Ashdown House,  
123 Victoria Street,  
London SW1.

Enc.